Marcos faces the storm

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The tone of the message was carefully conciliatory. “Reluctantly and with regret,” U.S. President Ronald Reagan told his Filipino counterpart, Ferdinand Marcos, that a planned visit to Manila in November would have to be postponed—indefinitely. The reason: unexpected pressure of business in Congress. But stripped of the diplomatic niceties, Reagan’s pullout was a blunt acceptance of two unpalatable facts: for one thing, in the current state of Filipino unrest, there could be no guarantee of Reagan’s safety, a concern which is uppermost in the mind of First Lady Nancy Reagan. For another, by visiting Manila and lending his authority to Marcos at this time, Reagan risked outraging U.S. public opinion, which is increasingly critical of Marcos’ iron rule. Those undertones were apparent to the Filipino strongman. Still, his reply was equally urbane, and on television later he laughed off suggestions that the cancellation would undermine his authority at home. “The host should always defer to the wishes of the guest,” he said.

Still, Marcos’ apparently unconcerned reaction was in marked contrast to his statement two days earlier that he did not “dare think about the possibility.” Indeed for the increasingly besieged Filipino dictator, the decision was a harsh setback. Despite Marcos’ attempts to placate the country’s business community, demonstrations against his rule in the Makati financial district of Manila continued throughout last week. Then, the Philippines’ growing economic problems forced a 21.4-per-cent devaluation of the peso. In turn, that raised the prospect of a squeeze on living standards that would further undermine Marcos’ popularity. As well, the spectre of murdered opposition leader Benigno Aquino continued to haunt Marcos as the inquiry into Aquino’s Aug. 21 shooting sputtered on.

Reagan’s cancellation encouraged the anti-Marcos forces. As several thousand demonstrators snarled traffic on Makati’s stately Ayala Avenue in midweek, burning newspapers to protest government press restrictions, many carried placards reading “Mr. Reagan: Thank you for supporting democracy.” A spokesman for UNIDO, a coalition of 12 opposition parties, claimed that the assassination of Aquino while he was in the custody of government security at Manila airport had shown Reagan that Marcos “could not provide adequate security.”

Added opposition leader Agapino Aquino, brother of the late senator: “Naturally we are very happy.” But Aquino, whose Justice for Aquino, Justice for All movement has announced a massive civil disobedience campaign, added a warning that, as a result, “Marcos will probably crack down on us.”

strengthening of the commission investigating Aquino’s murder. Suspicions about the government’s role in the shooting continue to mount, but the commission has failed to meet for several weeks. Not only that, its chairman, Chief Justice Enrique Fernando, has resigned because of a conflict of interest, and Arturo Tolentino, a Marcos loyalist and a member of the National Assembly, has replaced him. Marcos found the business community critical rather than supportive. Indeed while speculation on a possible successor to Marcos has centred so far on the military, there is a growing sense in business circles that the country needs the economic expertise and clout of a figure like Zobel.

Zobel himself has so far denied any presidential ambitions. But he heads the Makati Business Club, which has campaigned for economic and political reform since mid-1982. Indeed Zobel and his Ayala Corporation in many ways are Makati, having largely created

Indeed Marcos probably did intend to crack down further after seven weeks of protest following the Aquino assassination. In addition to dozens of arrests, 10 people have died so far, and on Sept. 30 riot police fired pistols into the air and showered 3,000 demonstrators in Makati with tear gas canisters. But the financial crisis forced him to change his mind. With the International Monetary Fund virtually enforcing last week’s devaluation, Marcos recognized the need to placate the business community. In part his strategy was to relax the iron grip imposed by Manila police commander General Ruben Escarcha. But he also held meetings with leaders of the business community, including Enrique Zobel, 56-year-old head of the Ayala Corporation, an international real estate and banking giant, in an attempt to enlist their support for tough economic measures to ease the Philippines’ financial plight.

Another subject Marcos addressed in his talks with business leaders was the the financial district, a mini-Calgary, out of idle grassland since the mid1960s. Now Zobel is widely regarded as a dark horse in the manoeuvring for the succession to Marcos and he recently heightened speculation by resigning as Ayala’s chief executive officer. Certainly for Marcos, deprived of the White House seal of approval, the emergence of such a rival could mark the most ominous development yet.